cond stmt no opp pls mtn approve stip

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Attorneys for Defendant

ROBERT B. PRESTON, an individual; and

Special Appearance for

Defendant ARTER & HADDEN, LLP

IN THE UNITED STATES DISTRICT COURT

DISTRICT OF HAWAII

IN RE:)	CIVIL NO. CV 03-00325 REJ LEK
HAWAII STATE ASBESTOS)	
CASES)	
)	DEFENDANT ROBERT B.
LORENZO BACLAAN and NAOMI)	PRESTON, AN INDIVIDUAL'S, AND
BACLAAN;)	ARTER & HADDEN'S
)	CONDITIONAL STATEMENT OF
ELEANOR C. BENEDICT,)	NO POSITION REGARDING
individually and as Special)	PLAINTIFFS' MOTION TO (1)
Administrator of the Estate of)	APPROVE ENTERING INTO
FRANCIS BENEDICT, deceased;)	STIPULATION WITH TRUSTEE IN
)	THE ARTER & HADDEN LLP
PETER M.Y. KIM and LIDA MAE)	CHAPTER 7 BANKRUPTCY, AND
KIM;)	(2) ISSUE AN ORDER TO SHOW
)	CAUSE TO THE "MINIDOM

Plaintiffs,) INSURERS", FILED FEBRUARY 10) 2006; DECLARATION OF
v.) LEIGHTON M. HARA;
1) COMBUSTION ENGINEERING, INC., a Delaware corporation;) CERTIFICATE OF SERVICE) HEARING:
2) ABB, LTD., a foreign corporation, as Successor-in-Interest to COMBUSTION ENGINEERING, INC., a Delaware corporation;	DATE: April 27, 2006 TIME: 10:00 a.m. JUDGE: Hon. Robert E. Jones
3) ASEA BROWN BOVERI, LTD., a foreign corporation, as Successor-in-Interest to COMBUSTION ENGINEERING, INC., a Delaware corporation;))) TRIAL: NOT YET SCHEDULED) JUDGE: ROBERT E. JONES) Chief U.S. District) Judge
4) ASEA BROWN BOVERI, INC., a Delaware corporation, as Successor-in- Interest to COMBUSTION ENGINEERING, INC., a Delaware corporation;) Judge))))))
5) TRAVELERS INSURANCE COMPANY, a Connecticut corporation;)))
6) TRAVELERS INDEMNITY COMPANY, a Connecticut corporation;)))
7) ARTER & HADDEN, LLP;)
8) ROBERT B. PRESTON, an individual;)))
9) FRANK T. CHRISTENSON, an individual;)))
10) CONNECTICUT VALLEY CLAIMS SERVICES COMPANY, INC., a Delaware corporation;)))

11) JOHN P. BRETT, an individual;	, , ,	
12) CHAR HAMILTON CAMPBELL & THOM, Attorneys At Law, A Law Corporation;		
Defendants.	, , ,	

DEFENDANT ROBERT B. PRESTON, AN INDIVIDUAL'S, AND ARTER & HADDEN'S CONDITIONAL STATEMENT OF NO POSITION REGARDING PLAINTIFFS' MOTION TO (1) APPROVE ENTERING INTO STIPULATION WITH TRUSTEE IN THE ARTER & HADDEN LLP CHAPTER 7 BANKRUPTCY, AND (2) ISSUE AN ORDER TO SHOW CAUSE TO THE "MINIDOM INSURERS"FILED FEBRUARY 10, 2006

COMES NOW Defendant ROBERT B. PRESTON, an individual, and Specially Appearing Defendant ARTER & HADDEN¹, ("collectively referred to herein as Defendants") by and through their attorneys, Robbins & Associates, and pursuant to Local Rule 7.4 of the United States District Court for the District of Hawaii, hereby states that Defendants take no position with regard to that portion of Plaintiffs' Motion to (1) Approve Entering Into Stipulation with Trustee in the Arter & Hadden LLP Chapter 7 Bankruptcy, insofar as the stipulation limits Plaintiffs' potential recovery in the Hawaii asbestos cases to the limits of applicable insurance coverage for Arter & Hadden LLP.

¹Arter & Hadden has not made a formal appearance in this matter as the Amended Answer to Plaintiffs' First Amended Complaint filed July 7, 2003 was withdrawn on October 3, 2003 pursuant to Plaintiffs' counsel's request. As such, Arter & Hadden has since filed a Notice of Bankruptcy with this Honorable Court on December 27, 2005.

With respect to the second Motion entitled Plaintiffs' Motion to (2) Issue an Order to Show Cause to the "Minidom Insurers", filed herein on February 10, 2006, Defendants submit that reservation of rights letters from the Insurer for Arter & Hadden and Robert Preston, were transmitted to Plaintiffs' counsel on March 20, 2006. See Declaration of Leighton M. Hara. Therefore, coverage is being provided to Defendants pursuant to the terms and conditions set forth in the applicable reservation of rights letters.

Counsel for Defendants will draft and circulate a stipulation/agreement to the appropriate parties, setting forth the undisputed coverage applicable to the instant action. However, the stipulation/agreement will set forth that none of the parties to the lawsuit are waiving any rights as to their respective positions on coverage and may petition the court at any time to issue a further ruling on coverage. The draft stipulation/agreement will be circulated among the relevant parties to address the coverage issues raised by Plaintiffs' Order to Show Cause.

DATED: Honolulu, Hawaii, March 22, 2006.

/s/ Kenneth S. Robbins KENNETH S. ROBBINS LEIGHTON M. HARA WENDY M. YAMAMOTO

Attorneys for Defendant ROBERT B. PRESTON, an individual and

Specially Appearing for Defendant ARTER & HADDEN, LLP

Civil No. CV03-00325 REJ LEK; <u>Baclaan</u>, et al. v. Combustion Engineering, Inc., et <u>al.</u>; DEFENDANT ROBERT B. PRESTON, AN INDIVIDUAL'S, AND ARTER & HADDEN'S CONDITIONAL STATEMENT OF NO POSITION REGARDING PLAINTIFFS' MOTION TO (1) APPROVE ENTERING INTO STIPULATION WITH TRUSTEE IN THE ARTER & HADDEN LLP CHAPTER 7 BANKRUPTCY, AND (2) ISSUE AN ORDER TO SHOW CAUSE TO THE "MINIDOM INSURERS", FILED FEBRUARY 10, 2006